

DRIVER SUPPORT SERVICES
MOTOR VEHICLE DIVISION
DEPARTMENT OF REVENUE
STATE OF COLORADO

FINAL RULE, AMENDMENTS TO REGULATION
MOTORIST INSURANCE IDENTIFICATION DATABASE

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Section 1. Authority

This rule is promulgated under the authority of Section 42-7-604(8), C.R.S.

Section 2. Definitions

“Commercial Vehicle” means for the purposes of this rule, any vehicle that is insured pursuant to a commercial line of business automobile liability insurance policy.

“Complying Policy” means a policy of insurance which provides the coverage and is subject to the terms and conditions required in Part 7 6 of Article 4 of Title 10, C.R.S. and is certified by the insurer and the insurer has filed a certification with the commissioner that such policy, contract, or endorsement conforms to Colorado law and any rules or regulations promulgated by the commissioner.

“DEPARTMENT” MEANS THE DEPARTMENT OF REVENUE.

“Designated Agent” means the party with which the ~~division~~ DEPARTMENT contracts under Section 42-7-604, C.R.S.

“Division” means the Motor Vehicle Division in the Department of Revenue created in Section 24-1-117 (4)(a)(III), C.R.S.

“EDI” (Electronic Data Interchange) means inter-company, computer to computer transmission of business data in a standard format.

“FTP” (FILE TRANSFER PROTOCOL) IS A PROTOCOL FOR EXCHANGING FILES OVER THE INTERNET.

“Proof of financial responsibility for the future” as DEFINED IN TITLE 42, ARTICLE 7, SECTION 103 (14) (9) C.R.S., MEANS (a) Proof of financial responsibility for the future, also referred to IN THIS ARTICLE as proof of financial responsibility, means proof of the ability to respond in damages for liability, on account of accidents occurring after the effective date of said proof, arising out of the ownership, maintenance, or use of a motor vehicle, in the amount of twenty-five thousand dollars because of bodily injury to or death of one person in any one accident, and, subject to said limit for one person, in the amount of fifty thousand dollars because of bodily injury to or death of two or more persons in any one accident, and in the amount of fifteen thousand dollars because of injury to or destruction of property of others in any one accident. (b) For the purposes of this title, the form known as the “SR-22” furnished to the department may be used as proof of financial responsibility in compliance with this article.

“Interstate Registered Vehicle” means vehicles operating in interstate commerce traveling in Colorado and at least one other state.

~~“IVANS” (Insurance Value Added Network Services) means a networking information and communications service.~~

“Personal Motor Vehicle” means vehicles for which passenger plates are issued ~~such as~~ INCLUDING passenger cars, station wagons, hearses, ambulances (non-government owned) buses, and passenger vans.

“Special Use Vehicle” means a single use vehicle designed to carry a specific commodity, such as a trash compactor or a concrete mixer.

Section 3. Basis and Purpose

The purpose of this rule is to implement the reporting requirements by insurers issuing motor vehicle insurance policies in Colorado and to clarify acceptable proof of complying motor vehicle insurance coverage.

Section 4. Scope of the Motorist Insurance Identification Database

In 1997, the Motorist Insurance Identification Database (MIIDB) was signed into law. This law required the ~~Division~~ DEPARTMENT to enter into a contract with a Designated Agent for the purpose of monitoring compliance with the financial security requirements of Parts 3 and 4 of Article 7, Title 42, C.R.S.

Insurance companies that issue automobile insurance policies in the state are required to report new policies issued and canceled policies before the seventh working day AFTER THE LAST DATE OF THE WEEK REPORTED ON. ~~of each month.~~

~~The Designated Agent, as defined in section (2), is required to notify owners of vehicles that~~

~~show as not insured in the MIIDB for three consecutive months. The owner of a motor vehicle has 45 days from the date of notification in which to provide proof of insurance to the Designated Agent or the license plates of the vehicle will be subject to seizure.~~

Section 42-2-127.7, C.R.S. allows for suspension of a person's driving privilege if the person is unable to provide evidence of a complying policy when contacted by law enforcement. In order to avoid a suspension, the driver may file ~~future proof of liability insurance~~ FINANCIAL RESPONSIBILITY FOR THE FUTURE for three years.

Section 5. Reporting Requirements of Cancellation Dates of Policies

Section 10-4-615(2)(c), C. R. S. requires that insurance companies report the policy number, effective date, and expiration date of each policy to the Designated Agent. For the purposes of this regulation, expiration date is defined as the final expiration date or the date on which insurance coverage is canceled or terminated by the insurance carrier. Reporting of the expiration date to the Designated Agent is not required for any intervening date in which coverage continues on receipt of payment. The final expiration date for coverage must be reported to the Designated Agent during the first normal ~~monthly~~ WEEKLY reporting period following the expiration date.

Section 6. Reporting Requirements for Commercial Lines of Insurance

The primary purpose of the database is to track personal motor vehicles rather than commercial vehicles. The development of the MIIDB requires the Division to transmit the entire registered vehicle file to the Designated Agent to match to insurance information provided by insurance companies issuing motor vehicle policies in Colorado. The Motor Vehicle Registration file contains primarily personal motor vehicle information. However, information on some commercial vehicles operated within the State of Colorado is also included. Commercial vehicles registered for interstate operations are maintained in a separate, distinct, database maintained by the Motor Carrier Services Division.

The purpose of the following statement is to identify vehicles insured under commercial motor vehicle policies that are contained within the Motor Vehicle Registration file. Once identified the vehicle will be noted as insured by a commercial motor vehicle policy and exempt from further tracking unless the carrier subsequently notifies the Designated Agent that the vehicle is no longer insured by a commercial motor vehicle policy.

The following PROCEDURES will ~~be used~~ APPLY:

- a. All companies issuing motor vehicle insurance in the state must report to the Motorist Insurance Identification Database (MIIDB).
- b. All motor vehicle insurance policies must be reported including commercial motor vehicle policies.
- c. Personal motor vehicle policies ~~must be reported as~~ REPORTING MUST BE vehicle specific policies ~~that would~~ that include reporting all vehicles and insured drivers on the policy.

- d. Commercial motor vehicle policies should be reported as vehicle specific policies if vehicle information is available. Vehicle information includes the vehicle's VIN (Vehicle Identification Number), make and year.
- e. Insurers issuing commercial motor vehicle policies not able to report on a vehicle specific basis will be allowed to report on a non-vehicle specific type. The owners' name and address is required but vehicle and driver information is not required.

~~For non-vehicle specific policies, matching will be done by the Designated Agent, using the insured's name and address against the vehicle registered owner's name and address. Any vehicles matched will have the insurance status set as exempt.~~

- f. To expedite the identification of exempt vehicles, the Division will identify any vehicle plate types that are distinct to a commercial vehicle class type. The Designated Agent is authorized to mark these vehicles as exempt from tracking insurance information under the MIIDB. These plate types are:
 - i. Buses: the first three characters of the License PLATE Type field are BUS.
 - ii. Dealers: the first three characters of the License PLATE Type field are DLR.
 - iii. Farm Vehicles: the first three characters of the License PLATE Type field are FTK or FTR.
 - iv. Special Mobile Equipment: the first three characters of the License PLATE Type field are SME.
 - v. Special Mobile Machinery: the first three characters of the License PLATE Type field are SMM.
 - vi. Special Use Vehicle: the first three characters of the License PLATE Type field are SVW.
 - vii. Trailers: the first three characters of the License PLATE Type field are TRL.
 - viii. Truck Tractor: the first three characters of the License PLATE Type field are TTR.
- g. The following will also be exempt if the last three characters of the License Plate Type field are:
 - i. FLT (FLEET),
 - ii. CNY, GTY (~~city/COUNTY~~plates)
 - iii. CTY (CITY)
 - iv. RNT, RTL (rental plate)
 - v. SOC (State of Colorado)
 - vi. CCL (TV/radio)
 - vii. In addition, a "C" in the Carrier Type field on any plate indicates the vehicle is used for commercial purposes and will be marked exempt. The ~~Division~~ DEPARTMENT will also identify any vehicle that is self-insured to the Designated Agent to mark as insured.

~~The importance of this matching process is to minimize the number of notices sent to request insurance information from registered owners by the Designated Agent and~~ PURPOSE OF THIS RULE is to minimize the opportunity for owners of vehicles insured pursuant to a commercial policy from receiving a citation for no insurance.

~~Section 7. Reporting Uninsured claims to the Legislature~~

~~A report to the Legislature is required pursuant to Sections 10-4-615(6), 42-3-134(1)(c), 42-3-~~

~~134(26)(d)(II), 42-7-301.5(4), 42-7-601(2), 42-7-608(1) and 42-7-609, C.R.S. Included in the report will be an adjustment for the number of vehicles due to the growth rate of owners in Colorado that will more accurately reflect in the number of uninsured motorist claims.~~

Section 8 7. Acceptable Proof of Complying Coverage

Following is a list of acceptable methods to show that a driver had a complying policy in effect pursuant to ~~Section 42-7-605~~ 4-624 C.R.S.:

- a. A letter from an insurance agent or insurer on company letterhead.
- b. An insurance card, Declaration Sheet, binder or policy issued by an insurer.
- c. A certificate of self-insurance issued pursuant to Section 10-4-716, C.R.S.

If the above information is presented but the record does not exist in the MIIDB, the vehicle record will be temporarily marked as insured until verified with the listed insurance company. Once verified, the insurance company will be required to submit policy data to the Designated Agent to be placed in the database via the usual reporting method.

If the information, as required above, is not transmitted to the Designated Agent by the insurance company within 30 days from the date the request is sent, the record will again be marked as not insured. ~~A new letter will be generated to the owner of the vehicle indicating that the information submitted regarding insurance coverage was not verified by the insurance company and the vehicle will be marked as not insured.~~

Section 9 8. Technical Reporting Requirements

~~Explore Information Services has been contracted as the Designated Agent pursuant to Section 42-7-604(4)(a), C.R.S.~~

Following are the requirements for reporting information to the Designated Agent OR DEPARTMENT:

Data Elements for Electronic Insurance Reporting

(1) The insurer shall transmit the information specified by Statute:

- (a) A complete VIN shall be reported, except a partial VIN shall be accepted for a vehicle with a model year prior to 1981; and
- (b) Vehicle information, including the VIN, make and year shall not be required for non-vehicle specific policies. However, if insurers have the VIN on file, they should send that data.

(2) Insurance Information Reported:

- (a) Insurance company number using the NAIC (National Association of Insurance Commissioners) code;
- (b) State where policy is issued;
- (c) Insurance policy number;
- (d) Policy type,

- (e) Insurance policy effective date, if the transaction type is new;
- (f) Insurance policy cancellation date, if the transaction type is canceled or deleted;
- (g) Each vehicle's VIN, if the policy is vehicle-specific;
- (h) Each vehicle's make, if the policy is vehicle-specific;
- (i) Each vehicle's year, if the policy is vehicle-specific;
- (j) Colorado Motor Vehicle Division driver license number or PIN (Personal Identification Number) number OR FEDERAL TAX ID (FEIN) of insured and driver;
- (k) State where the insured's or driver's identification was issued;
- (l) Each insured or driver's name;
- (m) Each insured or driver's date of birth, if a person and not an organization;
- (n) Each insured or driver's address;
- (o) Each insured or driver's city;
- (p) Each insured or driver's state;
- (q) Each insured or driver's zip code.

~~The IVANS Network has been chosen for communication links. Insurers must obtain an IE (Information Exchange) mailbox through IVANS for EDI transmission.~~

Reporting documents shall be sent to the Designated Agent OR THE DEPARTMENT ~~in a format determined by the Designated Agent.~~ THE FORMAT MUST COMPLY WITH THE STANDARDS FOR ANSI ASC X12 VERSION 3 RELEASE 5 (3050) TRANSACTION SET 811 AS CURRENTLY IDENTIFIED AS A STANDARD TRANSMISSION FORMAT FOR THE INSURANCE INDUSTRY.

Initial Insurance Database Load

~~Number of Records~~ Media Choices for Initial Load AND PERIODIC UPDATES

~~Fewer than 1,000 Magnetic tape cartridge, Designated agent diskettes, or network EDI~~
~~1,000 or greater Magnetic tape cartridge, diskettes or network EDI~~

ALL DATA WILL BE REPORTED BY THE FOLLOWING MEANS IN A FORMAT DETERMINED BY THE DEPARTMENT OR THE DESIGNATED AGENT.

THE REPORTING WILL BE BY THE FOLLOWING MEANS:

THE TRANSPORT METHOD FOR DELIVERING FILES TO THE DESIGNATED AGENT OR THE DEPARTMENT WILL BE PRETTY GOOD PRIVACY ("PGP") USING AT LEAST A 1024-BIT RSA PUBLIC KEY AND A 128-BIT AES KEY. THE INTERNET PROTOCOL ("IP") ADDRESS FROM WHICH THE FILES ARE EXCHANGED MUST BE PROVIDED TO THE DESIGNATED AGENT PRIOR TO TRANSMISSION.

1. Each insurance company submits to the Designated Agent only active Colorado motor vehicle liability insurance policies.
2. The record content and media must comply with the requirements outlined.

3. Prior to the initial load, EDI testing must be completed (EDI VIA FTP users only).
4. If the entire load file rejects, the Designated Agent will MAKE A REPORT AVAILABLE VIA FTP THAT THE INSURANCE ~~contact the insurance company CAN ACCESS.~~
~~to resolve the problem as quickly as possible.~~ The insurance company will make the necessary corrections, ~~reschedule the initial load~~ and resubmit the entire file.
5. The format for EDI and ~~magnetic tape cartridge~~ must meet the ANSI ASC X12 TRANSACTION SET 811 (3050) VERSION 3.0 RELEASE 5. ~~format as determined by the Designated Agent.~~

Periodic Updates

~~Number of Records Media Choices~~

~~Fewer than 1,000 Designated agent diskettes, or network EDI~~
~~More than 1,000 Network EDI~~

1. Insurers shall report cancellations or deletions during the first normal ~~monthly~~ WEEKLY reporting period following the cancellation. ~~Updates sent on media other than EDI are expected to be received within the same time parameters.~~
2. An insurer may choose to report more frequently than required by Section 10-4-615(1), C.R.S., but at a minimum must report ~~before the seventh working day of each month.~~ WEEKLY.
3. Transactions are to be submitted when:
 - a new liability insurance policy is issued or reinstated.
 - an owner, driver, or vehicle is added to a policy
 - an owner, driver or vehicle is removed from a policy
 - the insurance policy is canceled or deleted.
3. ~~Electronic communication will be accepted only through the IVANS network.~~

~~Manual Reporting Specifications~~

~~The Designated Agent strongly recommends EDI repoting. However, an alternate specification has been developed for those companies having less than 1000 policies on record at any given time. A diskette allowing entry of policy transactions formatted specifically for the MIIDB Program will be distributed by the Designated Agent.~~

Error reporting

1. The Designated Agent will ~~return~~ MAKE AVAILABLE errors REPORTS from the initial load and on-going reporting to the company via ~~the same media the policies were reported~~ FTP.
2. The insurance company must RETRIEVE THE INFORMATION RETURNED AND develop an error correction process for records that are rejected and returned as hard errors.
3. The insurer must correct rejected record errors and resubmit corrected records via the agreed upon transmission mode before update reporting. Until it is corrected, a rejected

record may be visible to law enforcement as uninsured.

Electronic Data Interchange

- ~~1. Ongoing EDI transfer will be made through the IVANS Network.~~
2. 1. The format for insurance records submitted electronically must meet the format as determined by the designated agent.
3. 2. Programming must include the ability to receive an 811 error transaction and return a 997 functional acknowledgment to the 811 error transaction.
4. 3. The following characters must be used as data delimiters in reporting in the 811 set 3050 format:
 - Sub-element delimiter: hexadecimal 1F
 - Data element delimiter: hexadecimal 1D
 - Segment delimiter: hexadecimal 1C
5. 4. Insurance companies will be responsible for payment of the costs ASSOCIATED WITH RECORD DELIVERY. ~~to send the records to the IE mailbox through IVANS for EDI transmissions and to retrieve information from the mailbox.~~

Magnetic Cartridge Tape

- ~~1. Magnetic cartridge tapes will be accepted only during the initial process.~~
2. ~~The following is a list of magnetic tape specifications:~~
 - ~~– Cartridges: IBM 3480 cartridge~~
 - ~~– Character set: EBCDIC, Upper case alphabetic~~
 - ~~– Record Format Variable length blocking~~
 - ~~– Record Length: 32,760~~
 - ~~– Block Size: 32,760~~
 - ~~– Record Density: Standard 3480, 18 track, not compressed~~

Diskette

~~For Use Only if the companies has 1000 or less policies in Colorado~~

Section 10 9. Enforcement

Noncompliance with this rule may result in the imposition of sanctions pursuant to Section 10-4-615 (4), C.R.S. A fine of \$250 per day shall be assessed the non-compliant insurance company for any of the following offenses:

- Failure to submit initial insurance data
- Failure to submit and maintain insurance data ~~before the seventh working day of each month~~ WEEK.
- Failure to submit the complete record as defined in Section 10-4-615 CRS.

Any organization that is subject to fines pursuant to this rule will be referred to the Insurance Commissioner for appropriate action under the authority of the Division of Insurance.

Section 14. 10. Severability

If any section of this rule, or the applicability of any section to any person or circumstance is for any reason held invalid by a court, the remainder of the rule, or the applicability of such provision to other persons or circumstances, shall not be affected.

Section 12. 11. Effective Date

This rule shall become effective ~~November 1, 1999~~. JANUARY 1, 2007.